



*Office of the United States Attorney
District of Arizona*

FOR IMMEDIATE RELEASE
Thursday, October 25, 2007

For Information Contact Public Affairs
SANDY RAYNOR
Telephone: (602) 514-7625
Cell: (602) 525-2681

PHOENIX MAN SENTENCED TO OVER 5 YEARS IN FEDERAL PRISON IN IDENTITY THEFT CASE

PHOENIX - James J. Rose, 46, of Phoenix, was sentenced here yesterday to 70 months in federal prison by U.S. District Court Judge James A. Teilborg. Rose pleaded guilty on April 24, 2007 to conspiracy to commit promotional money laundering. As a result of a credit card fraud scheme he devised using the names of fictitious entities and persons, Rose possessed over 800 social security numbers and used over 250 credit cards from approximately 15 issuing banks, obtaining over \$760,000. The payment of restitution is still under review.

During the early 1990's Rose owned a credit reporting company in California called American Mortgage Services, Inc. (AMS). Mortgage brokers used the services of AMS to obtain credit reports for their customers and Rose retained credit reports or copies of credit reports over several years. Rose subsequently used social security numbers contained in these credit reports to establish fictitious identities and, with the help of others, established credit histories for the fictitious persons by creating false businesses to establish credit accounts and to establish an employment history.

Rose then reported the fictitious person's credit histories to credit reporting bureaus and applied for and obtained credit cards in the names of these fictitious persons utilizing this fabricated credit history. In all Rose used over 200 addresses in 14 states to aid in establishing credit histories, applying for credit cards in the mail, establishing merchant accounts and bank accounts. Rose opened merchant and business bank accounts in the names of fictitious businesses and persons and rented business suites and apartments in several states to give legitimacy to the fictitious businesses and persons.

Rose then utilized these business accounts to pay the expenses of his operation, to conceal funds moving money between accounts, and ultimately to obtain money for his own use. By having a merchant bank account, Rose was able to obtain a credit card machine, which he used to swipe fictitious individuals credit cards for fictitious purchases. The credit card issuer would then credit Rose's merchant account. Rose recruited other individuals to pick up mail, cash checks, set up phone lines, rent apartments, file and mail documents and apply for credit cards all to support his operation.

The investigation was conducted by special agents of Criminal Investigation Division of the Internal Revenue Service. The prosecution was handled by Peter Sexton, Assistant U.S. Attorney, District of Arizona, Phoenix.

CASE NUMBER: CR 06-00787-001-PHX-JAT
RELEASE NUMBER: 2007-222(Rose)

###